
SENATE BILL 6775

State of Washington

60th Legislature

2008 Regular Session

By Senators Kauffman, Kilmer, Shin, Kastama, Franklin, Kohl-Welles,
and Rasmussen

Read first time 01/23/08. Referred to Committee on Economic
Development, Trade & Management.

1 AN ACT Relating to addressing the digital literacy and technology
2 training needs of low-income and underserved areas through state
3 support of community technology programs; adding a new section to
4 chapter 82.04 RCW; adding a new section to chapter 82.29A RCW; adding
5 a new chapter to Title 28B RCW; and providing an expiration date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature finds that information
8 technology plays an increasingly important role in the state's economy
9 but that the knowledge level and adoption of information technologies
10 are limited in some areas of the state. It is the intent of this act
11 to address digital literacy and technology training needs of low-income
12 and underserved areas of the state through state support of community
13 technology programs.

14 NEW SECTION. **Sec. 2.** The definitions in this section apply
15 throughout this chapter unless the context clearly requires otherwise.
16 (1) "Center" means the Washington State University center to bridge
17 the digital divide.

1 (2) "Community technology program" means a program engaged in
2 diffusing information and communications technology in local
3 communities, particularly in underserved areas.

4 (3) "Telecommunications company" has the same meaning as provided
5 in RCW 80.04.010 and includes providers of internet services subject to
6 tax under RCW 82.04.297.

7 NEW SECTION. **Sec. 3.** The technology opportunity program is
8 created to support the efforts of community technology programs
9 throughout the state. The technology opportunity program must be
10 administered by the Washington State University center to bridge the
11 digital divide.

12 (1) In implementing the technology opportunity program the center
13 must:

14 (a) Provide organizational and capacity building support to
15 community technology programs throughout the state, and identify and
16 facilitate the availability of other public and private sources of
17 funds to enhance the purposes of this chapter and the work of community
18 technology programs. No more than fifteen percent of funds received by
19 the center for the program may be expended on these functions;

20 (b) Establish a competitive grant program and provide grants to
21 community technology programs to provide training and skill-building
22 opportunities, access to hardware and software, internet connectivity,
23 and assistance in the adoption of information and communication
24 technologies in low-income and underserved areas of the state.

25 (2) Grant applicants must:

26 (a) Provide evidence that the applicant is a nonprofit entity;

27 (b) Define the geographic area or population to be served;

28 (c) Include in the application the results of a needs assessment
29 addressing, in the geographic area or among the population to be
30 served: The impact of inadequacies in technology access or knowledge,
31 barriers faced, and services needed;

32 (d) Explain in detail the strategy for addressing the needs
33 identified and an implementation plan including objectives, tasks, and
34 benchmarks for the applicant and the role that other organizations will
35 play in assisting the applicant's efforts;

36 (e) Provide evidence of matching funds and resources committed to

1 the applicant's strategy and evidence that funds applied for, if
2 received, will be used to increase the applicant's level of effort
3 beyond the current level; and

4 (f) Comply with such other requirements as the center establishes.

5 (3) The center may use no more than ten percent of funds received
6 for the technology opportunity program to cover administrative
7 expenses.

8 (4) The center must establish expected program outcomes for each
9 grant recipient and must require grant recipients to provide an annual
10 accounting of program outcomes.

11 NEW SECTION. **Sec. 4.** The Washington technology opportunity
12 account is established in the state treasury. All receipts from the
13 provisions of sections 5 and 6 of this act must be deposited into the
14 account. Donated funds from private and public sources may also be
15 deposited into the account. Expenditures from the account may be used
16 only for the operation of the technology opportunity program as
17 provided in sections 1 through 3 of this act.

18 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.04 RCW
19 to read as follows:

20 (1) For purposes of this section, "telecommunications company" has
21 the same meaning as provided in section 2 of this act.

22 (2) A telecommunications company is allowed a credit against taxes
23 due under this chapter in an amount equal to fifty percent of
24 contributions made in any fiscal year directly to the Washington
25 technology opportunity account. The credit must be taken in a form and
26 manner as required by the department. The telecommunications company
27 must make the contribution before claiming a credit authorized under
28 this section. The credit under this section may not exceed two hundred
29 thousand dollars per fiscal year per telecommunications company. The
30 credit may not exceed the tax that would otherwise be due under this
31 chapter. Refunds may not be granted in the place of credits.

32 (3) Except as provided under subsection (4) of this section, a tax
33 credit claimed under this section may not be carried over to another
34 year.

35 (4) Any amount of tax credit otherwise allowable under this section
36 not claimed by a telecommunications company in any calendar year may be

1 carried over and claimed against the tax liability for the next
2 succeeding calendar year. Any credit remaining unused in the next
3 succeeding calendar year may be carried forward and claimed against the
4 tax liability for the second succeeding calendar year; and any credit
5 not used in that second succeeding calendar year may be carried over
6 and claimed against the tax liability for the third succeeding calendar
7 year, but may not be carried over for any calendar year thereafter.

8 (5) Credits are available on a first in-time basis. The department
9 must disallow any credits, or portion thereof, that would cause the
10 total amount of credits claimed under this section during any calendar
11 year to exceed five hundred thousand dollars. If this limitation is
12 reached, the department must notify the Washington State University
13 center to bridge the digital divide that the annual statewide limit has
14 been met. In addition, if this statewide limitation is reached, the
15 department also must provide written notice to any telecommunications
16 company that has claimed tax credits in excess of the statewide
17 limitation in this subsection. The notice to a telecommunications
18 company must indicate the amount of tax due and must provide that the
19 tax be paid within thirty days from the date of such notice. The
20 department may not assess penalties and interest as provided in chapter
21 82.32 RCW on the amount due in the initial notice if the amount due is
22 paid by the due date specified in the notice, or any extension thereof.

23 (6) To claim a credit under this section, a telecommunications
24 company must electronically file with the department all returns,
25 forms, and any other information required by the department, in an
26 electronic format as provided or approved by the department. Any
27 return, form, or information required to be filed in an electronic
28 format under this section is not filed until received by the department
29 in an electronic format. As used in this subsection, "returns" has the
30 same meaning as "return" in RCW 82.32.050.

31 (7) No application is necessary for the tax credit. The person
32 must keep records necessary for the department to verify eligibility
33 under this section.

34 (8) The Washington State University center to bridge the digital
35 divide must provide to the department, upon request, such information
36 as is needed to verify eligibility for credit under this section,
37 including information regarding contributions made to benefit the
38 community technology program.

1 (9) The department may not allow any credit under this section
2 before July 1, 2008.

3 (10) This section expires June 30, 2018.

4 NEW SECTION. **Sec. 6.** A new section is added to chapter 82.29A RCW
5 to read as follows:

6 Taxes collected under RCW 82.29A.030 from a telecommunications
7 company, as defined in section 2 of this act, as a result of the
8 company's leasehold interest in publicly owned property must be
9 deposited in the Washington technology opportunity account created in
10 section 4 of this act.

11 NEW SECTION. **Sec. 7.** Sections 1 through 4 of this act constitute
12 a new chapter in Title 28B RCW.

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